



Committee on Community Colleges and Workforce

**Meeting
Tuesday, April 4, 2006
1:00 PM – 2:00 PM
Room 24, House Office Building**

MEETING PACKET

Allan Bense
Speaker

Pat Patterson
Committee Chair



FLORIDA HOUSE OF REPRESENTATIVES

Allan G. Bense, Speaker

Community Colleges & Workforce Committee

Pat Patterson
Chair

Ed Jennings
Vice Chair

Meeting Agenda **Tuesday, April 4, 2006** **24 HOB, 1:00 PM – 2:00 PM**

- I. Call to Order & Roll Call**
- II. Opening Remarks by Chair Patterson**
- III. Consideration of the following bills:**

HB 771 CS by Representative Carroll
Cosmetology

HB 1185 CS by Representative Grimsley
Manufactured Housing and Mobile Home Mitigation and Enhancement
Program

- IV. Closing Comments**
- V. Meeting Adjourned**

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 771 CS

Cosmetology

SPONSOR(S): Carroll

TIED BILLS:

IDEN./SIM. BILLS: SB 1630

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
1) Business Regulation Committee	17 Y, 0 N, w/CS	Livingston	Liepshutz
2) Community Colleges & Workforce Committee		Thomas <i>NOT</i>	Ashworth <i>ga</i>
3) State Administration Appropriations Committee			
4) Commerce Council			
5)			

SUMMARY ANALYSIS

HB 771 CS:

- redefines "cosmetology" to include hair technician services, esthetician services, and nail technician services;
- allows qualified individuals who are authorized to practice, to be licensed as a hair technician, esthetician, nail technician or cosmetologist;
- amends the hair braiding course content requirements and increases the educational hours;
- revises the qualifications for practice, including the allowance of a cosmetologist licensed before January 1, 2007, to perform all services of a licensed cosmetologist; allows a facial specialist registered or enrolled in a cosmetology school before January 1, 2007, to take the exam for an esthetician license; a manicure, pedicure, or nail extension specialist registered or enrolled in a cosmetology school before January 1, 2007, to take the exam for a nail technician license; and allows specialists registered before January 1, 2007, to continue to practice under their specialty registration without taking a licensure examination; provides for the renewal of current specialty registrations;
- revises the requirements for hair technician, esthetician, nail technician and cosmetology applicants and allows persons who were enrolled or began their education prior to January 1, 2007, to take the examination and be licensed as a cosmetologist upon completion of 1,200 educational hours; adds additional procedures for out-of-country and other state endorsement;
- increases statutory fee caps for original licensing, license renewal and delinquent renewal from \$25 to \$50, reactivation of an inactive license from \$50 to \$100, endorsement application, examination and reexamination from \$50 to \$150, salon license application, original licensing and renewal from \$50 to \$100, specialist registration renewal and delinquent renewal from \$50 to \$100, and registration for hair braiders and hair wrappers from \$25 to \$40; and
- increases the required educational hours for cosmetologists from 1,200 to 1,800, estheticians from 260 to 600, nail specialists from 240 to 350, and hair braiders from 16 to 40.

The DBPR projects that the bill has the potential of increasing revenue for the regulation of cosmetologists by \$10,273,630 during the first full two years (FY 2007-08 through FY 2008-09), if the board chose to increase fees to the proposed fee caps contained in the bill.

The DBPR estimates the non-recurring expenditures to be \$77,053; the recurring expenditures to be \$75,181; and the non-operating expenditures to be \$93,242 for the 2006-2007 fiscal year.

See *Fiscal Analysis & Economic Impact Statement*.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. HOUSE PRINCIPLES ANALYSIS:

Provide limited government - The bill requires more education and the development and administration of exams for a new category of licensure, hair technician, as well as more education and the development and administration of exams for an esthetician license and a nail technician license. It also increases the educational hours for a cosmetologist license.

Ensure lower taxes - The DBPR projects that the bill has the potential of increasing revenue for the regulation of cosmetologists and paid by practitioners in an amount of \$10,273,630 during the first full two years (FY 2007-08 through FY 2008-09), if the board chose to increase fees to the proposed fee caps contained in the bill.

Promote personal responsibility - The bill allows for out-of-country licensees to apply for endorsement rather than by the current requirement of licensure by examination.

The bill allows licensees to provide services at special events (i.e., weddings, proms, corporate events, etc.). Individuals performing the services must be employed by a licensed salon and the scheduling of the event must be made through a licensed salon.

The bill allows individuals who hold a valid cosmetology license in any state or who are authorized to practice in another country, to perform services in conjunction with a department store demonstration and without the requirement that services be performed in a licensed salon.

B. EFFECT OF PROPOSED CHANGES:

Present situation

The Board of Cosmetology (board) within the Department of Business and Professional Regulation (DBPR) is the agency responsible for the regulation of cosmetology under chapter 477, F.S. No person other than a duly licensed cosmetologist can practice cosmetology or use the name or title of a cosmetologist unless exempted under law.

Cosmetology is defined as:

The mechanical or chemical treatment of the head, face, and scalp for aesthetic rather than medical purposes, including, but not limited to, hair shampooing, hair cutting, hair arranging, hair coloring, permanent waving, and hair relaxing for compensation. This term also includes performing hair removal, including wax treatments, manicures, pedicures, and skin care services.

In order to be licensed as a cosmetologist, a person must be at least 16 years of age or have received a high school diploma; must pay the required application fee; must satisfy an experience requirement by being authorized to practice cosmetology in another state or country for at least a year or an education requirement of 1,200 hours of training from a cosmetology program licensed pursuant to chapter 1005, F.S., a cosmetology program within the public school system, Cosmetology Division of the Florida School for the Deaf and the Blind, or a government-operated cosmetology program in the state. Finally, the person must pass the licensure examination.

Cosmetology salons and specialty salons are required to be licensed and cosmetology services can only be performed in a licensed salon unless specifically exempted.

Section 477.0135, F.S., exempts certain persons from the provisions of chapter 477, F.S., when practicing pursuant to their professional or occupational responsibilities and duties.

Section 477.0263(3), F.S., permits a person who holds a valid cosmetology license in any country, territory, or jurisdiction of the United States to perform cosmetology services in a location other than a licensed salon when the services are performed in connection with the motion picture, fashion photography, theatrical, or television industry; a photograph studio salon; a manufacturer trade show demonstration; or an education

Effect of proposed changes

Section 1. Amends 477.013, F.S., to address the definition of "cosmetology" and the services allowed under the "hair technician" license, the "esthetician" license, and the "nail technician" license; clarify that an esthetician can tint eyebrows or eyelashes, clarify that a hair technician can weave or braid a person's hair; and clarify that a nail technician can manipulate the superficial tissue of a person's forearms, hands or legs below the knee or feet; moves the body wrapping service into the esthetician license; define "salon" and strike the definition of "specialty salon"; amend the definition of shampooing to mean "cleansing" of the hair rather than just "washing" of the hair; clarify the definition of hair braiding to mean "the weaving or interweaving of a person's own natural hair" rather than "the weaving or interweaving of natural human hair".

Section 2. Creates 477.0131, F.S., to specify categories of licensure to include hair technician, estheticians, nail technicians, and cosmetologists.

Section 3. Amends 477.0132, F.S., to require hair braiding providers to offer a course of at least 40 hours consisting of 4 hours of instruction on HIV/AIDS, 5 hours of instruction on sanitation and sterilization, 5 hours of instruction on diseases and disorders of the scalp, 2 hours of instruction on Florida laws and rules, and 24 hours of hands-on instruction in the application and removal of hair braiding; a person may be exempt from the 24 hours of instruction in the application and removal of hair braiding if they demonstrate skill in application and removal of hair braiding through a board-approved examination; body wrappers who hold registrations issued before January 1, 2007, may continue to practice as a body wrapper; the board is required to adopt continuing education requirements for the renewal of body wrapping registrations; the board will only be allowed to review, evaluate, and approve a course and text of hair braiding and hair wrapping providers; and eliminate the allowance for hair braiders, hair wrappers, and body wrappers to practice once their application and fee are submitted.

Section 4. Amends 477.014, F.S., to prohibit the use of "cosmetologist", "hair technician", "esthetician", or "nail technician" and prohibit individuals from practicing as cosmetologists, hair technicians, estheticians or nail technicians without being properly licensed as such; allow cosmetologists licensed before January 1, 2007, to perform all services of a licensed cosmetologist; allow facial specialists and manicure/pedicure/nail extension specialists who are registered or enrolled in school before January 1, 2007, to take the exam for licensure; allow specialists registered before January 1, 2007, to continue to practice under the name of their respective specialty registration without taking the respective licensure exam; give the board rulemaking authority for renewal of registration existing before January 1, 2007.

Section 5. Amends 477.019, F.S., to expand the education requirements to make application for examination to include the allowance of applicants to be at least 16 years of age or has received a high school diploma or a GED, or has passed an ability-to-benefit test; require the following educational hour requirements:

- a. Hair Technician – 1,000 hours
- b. Esthetician – 600 hours (from 260 hours)
- c. Nail Technician – 350 hours (from 240 hours)
- d. Cosmetologist – 1,800 hours (from 1,200 hours)

allow a student who has enrolled and begun his/her education before January 1, 2007, to take the exam to be licensed as a cosmetology upon completion of 1,200 hours; require a student who begins

his/her education on or after January 1, 2007, to comply with the new educational hours before taking the exam; eliminate the ability of a student to petition the board to sit for the examination after completing 1,000 educational hours; allow a Florida student, after submitting a complete application for examination for licensure as a cosmetologist, hair technician, esthetician or nail technician to practice in his/her respective area for a maximum of 60 days, provided he/she practices under the supervision of a licensed professional in a licensed salon; if he/she fails the exam the first time, he/she may continue to practice under the supervision of a licensed professional in a licensed salon for an additional 60 days, provided the applicant applies for the next available exam; the applicant may not continue to practice if he/she fails the exam twice; allow for the endorsement of current active out-of-country cosmetology licenses so long as those out-of-country qualifications are substantially similar to, equivalent to, or greater than the qualifications required of applicants from Florida; require the board and the department to adopt procedures to expedite the process by which qualified endorsement applicants may obtain information validating his/her licensure status from the applicant's original state or country; allow for work experience to be substituted for required educational hours in the amount and manner provided by board rule; and remove the current 48 hour cap on the number of hours of continuing education refresher courses.

Section 6. Amends 477.0212, F.S., to require the board to adopt rules for license renewal or continuing education; and increase statutory fee caps for the reactivation of an inactive license – from \$50 to \$100.

Section 7. Amends 477.023, F.S., to add the allowance of the certification of grooming and salon services training programs to the already existing cosmetology training programs within the public school system and does not prevent the government operation of any other cosmetology program in this state.

Section 8. Amends 477.025, F.S., to eliminate the distinction between a cosmetology salon and a specialty salon.

Section 9. Amends 477.026, F.S., to increase the statutory fee caps as follows:

- a. Original licensing, license renewal, and delinquent renewal for hair technicians, estheticians, nail technicians, and cosmetologist licenses – from \$25 to \$50.
- b. Endorsement application, examination and reexamination for hair technicians, estheticians, nail technicians, and cosmetologist applicants – from \$50 to \$150.
- c. License application, original licensing, license renewal and delinquent renewal for salons – from \$50 to \$100.
- d. Registration renewal and delinquent renewal for specialists – from \$50 to \$100.
- e. Registration for hair braiders and hair wrappers – from \$25 to \$40.

Section 10. Amends 477.0263, F.S., to exempt individuals conducting department store demonstrations who hold a valid cosmetology license in another state or country to provide cosmetology services outside of a license salon and allow licensees or registrants to perform services outside a licensed salon for special events so long as the person is employed by a licensed salon and appointments for such services are made through a licensed salon.

Section 11. Amends 477.0265, F.S., to change references from “cosmetology” to “in the field of cosmetology”.

Section 12. Amends 477.028, F.S., to add conforming language to include “hair technician, esthetician, or nail technician” and change references from “cosmetology” to “in the field of cosmetology”.

Section 13. Amends 477.029, F.S., to add conforming language to include “hair technician, esthetician, or nail technician” strike reference to “cosmetology” salon.

Section 14. Repeals s. 477.0201, F.S., relating to specialty registration, qualifications, registration renewal and endorsement.

C. SECTION DIRECTORY:

See B., above.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

The DBPR projects that the bill has the potential of increasing revenue for the regulation of cosmetologists by \$10,273,630 during the first full two years (FY 2007-08 through FY 2008-09), if the board chose to increase fees to the proposed fee caps contained in the bill.

2. Expenditures:

The DBPR projects:

- that the bill has a fiscal impact on the DBPR related to workload, testing services and licensure costs;
- the DBPR will have a fiscal impact related to workload, testing services and licensure;
- the Division of Professions will need additional Other Personal Services (OPS) staff in the board office and expenses budget for travel as this bill will likely increase board meeting agendas and require additional travel days; and
- licensure costs will be associated with the creation of the new licenses (new application processing procedures, updating LicensEase to incorporate new licenses and their requirements, creation of new applications forms, renewal processing for new license types, etc.).

The DBPR estimates they will also have additional exam testing costs the first year related to the development of four new examinations for cosmetology licensure.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

The direct fiscal impact relates to the potential increase in revenue which will be dependent on the approval of the members of the board to increase current fees to the new statutory caps.

D. FISCAL COMMENTS:

The DBPR estimates the non-recurring expenditures to be \$77,053; the recurring expenditures to be \$75,181 and; the non-operating expenditures to be \$93,242.¹

EXPENDITURES – FUNDING SOURCE (TRUST FUND)			
Non-Recurring Effects	FY 2006-07,	FY 2007-08	FY 2008-09
Expenses	8,383		
Operating Capital Outlay	6,300		
Data Processing Services	25,000		
Exam Testing Services	37,380		
Subtotal	77,053	0	0

EXPENDITURES – FUNDING SOURCE (TRUST FUND)			
Recurring Effects	FY 2006-07	FY 2007-08	FY 2008-09
Other Personal Services	64,395	66,882	68,889
Expenses	10,390	10,702	11,022
Human Resources Contract – DMS	396	396	396
Subtotal	75,181	77,980	80,307

Non-Operating Expenditures	FY 2006-07	FY 2007-08	FY 2008-09
Service Charges to General Revenue	68,242	328,375	421,250
Transfer to Admin. Trust Fund – IT	25,000		
Subtotal	93,242	328,375	421,250

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

This bill does not appear to require counties or municipalities to take an action requiring the expenditure of funds, does not appear to reduce the authority that counties or municipalities have to raise revenue in the aggregate, and does not appear to reduce the percentage of state tax shared with counties or municipalities.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

The bill gives the board authority to develop continuing education rules for the renewal of body wrapping registrations and all other registrations existing prior to January 1, 2007. The bill allows for work experience to substitute for required educational hours in the amount and manner provided by board rule. The bill provides rulemaking authority for the renewal or reactivation requirements for inactive licensees. The board has authority to set fees in accordance with the proposed statutory fee caps. There is rulemaking authority which current exists to include the proposed allowance for hair technicians, estheticians, nail technicians or registered specialists to perform services in a location other than a licensed salon such as a nursing home, hospital or residence when a client, for reasons of ill health, are unable to go to a licensed salon. The bill grants rulemaking authority for the allowance of services outside a licensed salon for special events so long as the individual is employed by a licensed salon and schedules appointments through a licensed salon

C. DRAFTING ISSUES OR OTHER COMMENTS:

The DBPR notes:

¹ Department of Business & Professional Regulation Legislative Analysis Form on HB 771, March 23, 2006

- Section 3. – It is unclear as to how the provision exempting a hair braiding applicant from the required 24 hours of hands-on instruction through demonstration of skill in application and removal of hair braiding through a board-approved examination would be implemented.
- Language should be included in the existing statute to show that the department currently issues a full specialty registration. A full specialty registration is merely a combination of the facial and manicure/pedicure/nail extension specialty registrations.
- The board may consider assessing fees for hair braiding and hair wrapping providers and courses, as well as continuing education courses, as currently there is no statutory authority to assess a fee.

IV. AMENDMENTS/COMMITTEE SUBSTITUTE & COMBINED BILL CHANGES

On March 16, 2006, the Business Regulation Committee adopted four amendments which modified the bill in the following manner and reported the bill favorably with committee substitute.

Amendment #1 and #2 by Carroll - Removes language referencing "manipulating tissue" to avoid conflict with massage therapy.

Amendment #3 by Carroll - Removes language to clarify that an applicant for licensure must provide documentation for approval by endorsement.

Amendment #4 by Carroll - Deletes a duplicate sentence inadvertently placed in the bill.

HB 771

2006
CS

CHAMBER ACTION

The Business Regulation Committee recommends the following:

Council/Committee Substitute

Remove the entire bill and insert:

A bill to be entitled

An act relating to cosmetology; amending s. 477.013, F.S.; providing and amending definitions; redefining "cosmetology" to include hair technician, esthetician, and nail technician services; including body wrapping within esthetician services; removing a distinction between specialty salons and other salons; creating s. 477.0131, F.S.; authorizing licensure for hair technicians, estheticians, nail technicians, and cosmetologists; amending s. 477.0132, F.S.; requiring passage of a specified course to receive a hair braiding registration; increasing the total hours of instruction and modifying the content of instruction required to constitute a hair braiding course; providing an exemption from a portion of required hair braiding coursework; eliminating future body wrapping registrations; authorizing renewal of current body wrapping registrations; specifying that only the Board of Cosmetology may review, evaluate, and approve required text; amending s. 477.014, F.S.; revising

Page 1 of 27

CODING: Words ~~stricken~~ are deletions; words underlined are additions.

hb0771-01-c1

HB 771

2006
CS

24 requirements for qualification to practice under ch. 477,
25 F.S.; authorizing current specialists to sit for licensure
26 examinations in certain circumstances; providing for the
27 renewal of current specialty registrations; amending s.
28 477.019, F.S.; revising qualification, education,
29 licensure and renewal, supervised practice, and
30 endorsement requirements for cosmetologist licenses to
31 include and differentiate qualification, education,
32 licensure and renewal, supervised practice, and
33 endorsement requirements for hair technician, esthetician,
34 and nail technician licenses; requiring the board to adopt
35 certain procedures relating to licensure by endorsement;
36 amending s. 477.0212, F.S.; increasing fee caps for the
37 reactivation of an inactive license; requiring the board
38 to adopt certain rules relating to license renewal or
39 continuing education; amending s. 477.023, F.S.;
40 stipulating that the Department of Education is not
41 prevented from issuing grooming and salon services
42 certification; amending s. 477.025, F.S., relating to
43 cosmetology and specialty salons, requisites, licensure,
44 inspection, and mobile cosmetology salons, to conform;
45 amending s. 477.026, F.S.; revising fee provisions to
46 conform; increasing fee caps for certain fees; amending s.
47 477.0263, F.S., to conform; specifying circumstances under
48 which cosmetology or specialty services may be practiced
49 outside of a licensed salon; amending s. 477.0265, F.S.,
50 relating to prohibited acts, to conform; amending s.
51 477.028, F.S., relating to disciplinary proceedings, to

Page 2 of 27

CODING: Words stricken are deletions; words underlined are additions.

hb0771-01-c1

HB 771

2006
CS

conform; amending s. 477.029, F.S., relating to penalties,
to conform; repealing s. 477.0201, F.S., relating to
specialty registration, qualifications, registration
renewal, and endorsement; providing an effective date.

Be It Enacted by the Legislature of the State of Florida:

Section 1. Section 477.013, Florida Statutes, is amended
to read:

477.013 Definitions.--As used in this chapter, the term:

(1) "Board" means the Board of Cosmetology.

(2) "Department" means the Department of Business and
Professional Regulation.

(3) "Cosmetologist" means a person who is licensed to
engage in the practice of all cosmetology services in this state
under the authority of this chapter, including hair technician
services, esthetician services, and nail technician services, or
a person who is licensed prior to January 1, 2007, to engage in
the practice of cosmetology in this state.

(4) "Cosmetology" means the practice of performing or
offering to perform for compensation any of the following
services for aesthetic rather than medical purposes:

(a) Hair technician services, which are:

1. Treating a person's hair by:

a. Providing any method of treatment as a primary service,
including arranging, beautifying, lightening, cleansing,
coloring, cutting, dressing, processing, shampooing, shaping,
singeing, straightening, styling, tinting, or waving;

HB 771

2006
CS

b. Providing a necessary service that is preparatory or ancillary to a service under sub-subparagraph a., including clipping, cutting, or trimming; or

c. Cutting a person's hair as a separate and independent service for which a charge is directly or indirectly made separately from charges for any other service.

2. Weaving or braiding a person's hair.

3. Shampooing and conditioning a person's hair.

4. Servicing a person's wig or artificial hairpiece on a person's head in any manner listed in subparagraph 1.

5. Treating a person's mustache or beard by coloring, processing, styling, or trimming.

(b) Esthetician services, which are:

1. Cleansing, exfoliating, or stimulating a person's skin by hand or by using a mechanical device, apparatus, or appliance with the use of any cosmetic preparation, antiseptic, lotion, powder, oil, clay, cream, or appliance.

2. Beautifying a person's skin using a cosmetic preparation, antiseptic, lotion, powder, oil, clay, cream, or appliance.

3. Administering facial treatments.

4. Removing superfluous hair from a person's body using depilatories, threading, waxing, sugaring, epilating, or tweezing.

5. Tinting eyebrows or eyelashes with products manufactured specifically for eyebrows or eyelashes.

6. Body wrapping, which is a treatment program that uses wraps for the purposes of cleansing and beautifying a person's

HB 771

2006
CS

skin for aesthetic rather than medical or weight-loss purposes
and is the application of oils, lotions, or other fluids to the
body using wraps. Body wrapping does not include manipulation of
the body's superficial tissue, other than that resulting from
the application of the wrap materials.

7. Submersing parts of the body in a bath of clay, oils,
lotions, or other fluids.

(c) Nail technician services, which are:

1. Treating a person's nails by:

a. Cutting, trimming, polishing, painting, printing,
tinting, coloring, cleansing, manicuring, or pedicuring; or

b. Affixing artificial nails, extensions, or capping.

2. Cleansing, treating, or beautifying a person's
forearms, hands, legs below the knee, or feet ~~mechanical or~~
~~chemical treatment of the head, face, and scalp for aesthetic~~
~~rather than medical purposes, including, but not limited to,~~
~~hair shampooing, hair cutting, hair arranging, hair coloring,~~
~~permanent waving, and hair relaxing for compensation. This term~~
~~also includes performing hair removal, including wax treatments,~~
~~manicures, pedicures, and skin care services.~~

(5) "Salon" means a place of business where the practice
of one or more of the cosmetology or specialty services are
offered or performed for compensation.

(6)(5) "Specialist" means any person registered pursuant
to s. 477.014(6) to practice one or more of the following
specialties: holding a specialty registration in one or more of
~~the specialties registered under this chapter.~~

HB 771

2006
CS

~~(6) "Specialty" means the practice of one or more of the following:~~

(a) Manicuring, or the cutting, polishing, tinting, coloring, cleansing, adding, or extending of the nails, and massaging of the hands. This term includes any procedure or process for the affixing of artificial nails, except those nails which may be applied solely by use of a simple adhesive.

(b) Pedicuring, or the shaping, polishing, tinting, or cleansing of the nails of the feet, and massaging or beautifying of the feet.

(c) Facials, or the massaging or treating of the face or scalp with oils, creams, lotions, or other preparations, and skin care services, which means the treatment of the skin of a person's body, in addition to a person's head, face, and scalp, by the use of a sponge, brush, cloth, or similar device to apply or remove a chemical preparation or other substance without involving massage, as defined in s. 480.033(3), except that chemical peels may be removed by peeling an applied preparation from the skin by hand.

(7) "Shampooing" means the cleansing ~~washing~~ of the hair with soap and water or with a special preparation, ~~or applying hair tonics.~~

~~(8) "Specialty salon" means any place of business wherein the practice of one or all of the specialties as defined in subsection (6) are engaged in or carried on.~~

~~(8)~~(9) "Hair braiding" means the weaving or interweaving of a person's own natural ~~human~~ hair for compensation without cutting, coloring, permanent waving, relaxing, removing, or

HB 771

2006
CS

chemical treatment and does not include the use of hair extensions or wefts.

(9)~~(10)~~ "Hair wrapping" means the wrapping of manufactured materials around a strand or strands of human hair, for compensation, without cutting, coloring, permanent waving, relaxing, removing, weaving, chemically treating, braiding, using hair extensions, or performing any other service defined as cosmetology.

(10)~~(11)~~ "Photography studio salon" means an establishment where the hair-arranging services and the application of cosmetic products are performed solely for the purpose of preparing the model or client for the photographic session without shampooing, cutting, coloring, permanent waving, relaxing, or removing of hair or performing any other service defined as cosmetology.

~~(12) "Body wrapping" means a treatment program that uses herbal wraps for the purposes of cleansing and beautifying the skin of the body, but does not include:~~

~~(a) The application of oils, lotions, or other fluids to the body, except fluids contained in presoaked materials used in the wraps; or~~

~~(b) Manipulation of the body's superficial tissue, other than that arising from compression emanating from the wrap materials.~~

~~(13) "Skin care services" means the treatment of the skin of the body, other than the head, face, and scalp, by the use of a sponge, brush, cloth, or similar device to apply or remove a chemical preparation or other substance, except that chemical~~

HB 771

2006
CS

191 ~~peels may be removed by peeling an applied preparation from the~~
192 ~~skin by hand. Skin care services must be performed by a licensed~~
193 ~~cosmetologist or facial specialist within a licensed cosmetology~~
194 ~~or specialty salon, and such services may not involve massage,~~
195 ~~as defined in s. 480.033(3), through manipulation of the~~
196 ~~superficial tissue.~~

197 Section 2. Section 477.0131, Florida Statutes, is created
198 to read:

199 477.0131 Hair technician, esthetician, nail technician,
200 and cosmetology licenses.--

201 (1) A person who is otherwise qualified by this chapter
202 and who is authorized to practice all of the services listed in
203 s. 477.013(4)(a) shall be licensed as a hair technician.

204 (2) A person who is otherwise qualified by this chapter
205 and who is authorized to practice all of the services listed in
206 s. 477.013(4)(b) shall be licensed as an esthetician.

207 (3) A person who is otherwise qualified by this chapter
208 and who is authorized to practice all of the services listed in
209 s. 477.013(4)(c) shall be licensed as a nail technician.

210 (4) A person who is otherwise qualified by this chapter
211 and who is authorized to practice all of the services listed in
212 s. 477.013(4) shall be licensed as a cosmetologist.

213 Section 3. Section 477.0132, Florida Statutes, is amended
214 to read:

215 477.0132 Hair braiding, hair wrapping, and body wrapping
216 registration.--

217 (1) A person whose occupation or practice is confined
218 solely to hair braiding shall register with the department,

HB 771

2006
CS

219 shall pay the applicable registration fees, and shall take and
220 pass a course consisting of a minimum of 40 hours, except as
221 otherwise provided in this subsection. The course shall be
222 approved by the board and shall consist of 4 hours of
223 instruction in HIV/AIDS and other communicable diseases, 5 hours
224 of instruction in sanitation and sterilization, 5 hours of
225 instruction in disorders and diseases of the scalp, 2 hours of
226 instruction regarding laws affecting hair braiding, and 24 hours
227 of instruction in the application and removal of hair braiding.
228 A person who demonstrates skill in the application and removal
229 of hair braiding through a board-approved examination may be
230 exempt from the 24 hours of instruction in the application and
231 removal of hair braiding.

232 ~~(a) Persons whose occupation or practice is confined~~
233 ~~solely to hair braiding must register with the department, pay~~
234 ~~the applicable registration fee, and take a two day 16 hour~~
235 ~~course. The course shall be board approved and consist of 5~~
236 ~~hours of HIV/AIDS and other communicable diseases, 5 hours of~~
237 ~~sanitation and sterilization, 4 hours of disorders and diseases~~
238 ~~of the scalp, and 2 hours of studies regarding laws affecting~~
239 ~~hair braiding.~~

240 (2)(b) A person ~~Persons~~ whose occupation or practice is
241 confined solely to hair wrapping shall ~~must~~ register with the
242 department, pay the applicable registration fee, and take a one-
243 day 6-hour course. The course shall be board approved and
244 consist of instruction ~~education~~ in HIV/AIDS and other
245 communicable diseases, sanitation and sterilization, disorders

HB 771

2006
CS

and diseases of the scalp, and instruction ~~studies~~ regarding laws affecting hair wrapping.

(3) A person holding a registration in body wrapping before January 1, 2007, may continue to practice body wrapping as described in s. 477.013(4)(b)6. The board shall adopt by rule continuing education requirements for the renewal of body wrapping registrations.

~~(c) Unless otherwise licensed or exempted from licensure under this chapter, any person whose occupation or practice is body wrapping must register with the department, pay the applicable registration fee, and take a two-day 12-hour course. The course shall be board approved and consist of education in HIV/AIDS and other communicable diseases, sanitation and sterilization, disorders and diseases of the skin, and studies regarding laws affecting body wrapping.~~

(4)(d) Only the board may review, evaluate, and approve a course and text required of an applicant for registration under this section ~~subsection~~ in the occupation or practice of hair braiding or, hair wrapping, ~~or body wrapping~~. A provider of such a course is not required to hold a license under chapter 1005.

(5)(2) Hair braiding and, hair wrapping, ~~and body wrapping~~ are not required to be practiced in a ~~cosmetology~~ salon ~~or specialty~~ salon. When hair braiding or, hair wrapping, ~~or body wrapping~~ is practiced outside a ~~cosmetology~~ salon ~~or specialty~~ salon, disposable implements shall ~~must~~ be used or all implements shall ~~must~~ be sanitized in a disinfectant approved for hospital use or approved by the federal Environmental Protection Agency.

HB 771

2006
CS

~~(3) Pending issuance of registration, a person is eligible to practice hair braiding, hair wrapping, or body wrapping upon submission of a registration application that includes proof of successful completion of the education requirements and payment of the applicable fees required by this chapter.~~

Section 4. Section 477.014, Florida Statutes, is amended to read:

477.014 Qualifications for practice.--

(1) On and after January 1, 2007, a 1979, no person who is not other than a duly licensed or registered under this chapter may not cosmetologist shall practice in any of the cosmetology areas provided in s. 477.013(4) or use the name or title of cosmetologist, hair technician, esthetician, or nail technician.

(2) A person licensed or registered under this chapter on or after January 1, 2007, may not practice or hold himself or herself out as qualified to practice in an area in which he or she is not specifically licensed or registered under this chapter.

(3) A cosmetologist licensed before January 1, 2007, may perform all the services of a licensed cosmetologist as defined in this chapter.

(4) A facial specialist registered or enrolled in a cosmetology school before January 1, 2007, may take the examination for an esthetician license.

(5) A manicure, pedicure, or nail extension specialist registered or enrolled in a cosmetology school before January 1, 2007, may take the examination for a nail technician license.

HB 771

2006
CS

(6) A specialist registered under this chapter before January 1, 2007, may continue to practice under the name of his or her specialty registration without taking the respective licensure examination. Renewal of all registrations existing before January 1, 2007, shall be accomplished pursuant to rules adopted by the board.

Section 5. Section 477.019, Florida Statutes, is amended to read:

477.019 Cosmetologists; hair technicians; estheticians; nail technicians; qualifications; licensure; supervised practice; license renewal; endorsement; continuing education.--

(1) A person desiring to be licensed in the field of cosmetology ~~as a cosmetologist~~ shall apply to the department for licensure.

(2) An applicant ~~is shall be~~ eligible for licensure by examination to practice cosmetology, hair technician services, esthetician services, or nail technician services if the applicant:

(a) Is at least 16 years of age or has received a high school diploma or graduate equivalency diploma or has passed an ability-to-benefit test, which is an independently administered test approved by the United States Secretary of Education as provided in 20 U.S.C. s. 1091(d). ~~;~~

(b) Pays the required application fee, which is not refundable, and the required examination fee, which is refundable if the applicant is determined to not be eligible for licensure for any reason other than failure to successfully complete the licensure examination. ~~;~~ and

HB 771

2006
CS

(c)1. Is authorized to practice cosmetology in another state or country, has been so authorized for at least 1 year, and does not qualify for licensure by endorsement as provided for in subsection (6); or

2.a. Has received a minimum number of hours of training as follows:

(I) For a hair technician, 1,000 hours.

(II) For an esthetician, 600 hours.

(III) For a nail technician, 350 hours.

(IV) For a cosmetologist, 1,800 hours.

b. The training ~~Has received a minimum of 1,200 hours of training as established by the board, which~~ shall include, but ~~need~~ shall not be limited to, the equivalent of completion of services directly related to the practice of cosmetology at one of the following:

(I)a- A school of cosmetology licensed pursuant to chapter 1005.

(II)b- A cosmetology program within the public school system.

(III)e- The Cosmetology Division of the Florida School for the Deaf and the Blind, provided the division meets the standards of this chapter.

(IV)d- A government-operated cosmetology program in this state.

c. A person who has enrolled and begun his or her education before January 1, 2007, may take the examination to be licensed as a cosmetologist upon completion of 1,200 hours of education.

HB 771

2006
CS

d. A person who begins his or her education on or after January 1, 2007, shall comply with the hour requirements in sub-subparagraph a. in order to qualify to take his or her respective examination.

~~The board shall establish by rule procedures whereby the school or program may certify that a person is qualified to take the required examination after the completion of a minimum of 1,000 actual school hours. If the person then passes the examination, he or she shall have satisfied this requirement; but if the person fails the examination, he or she shall not be qualified to take the examination again until the completion of the full requirements provided by this section.~~

(3) Upon an applicant receiving a passing grade, as established by board rule, on the examination and paying the initial licensing fee, the department shall issue a license to practice in the applicant's respective area of cosmetology provided in s. 477.013(4).

(4) After submitting a complete application to take the first available examination for licensure as a cosmetologist, hair technician, esthetician, or nail technician, a graduate of a licensed cosmetology school or a program within the public school system, which school or program is certified by the Department of Education, is eligible to practice in the graduate's respective area for a maximum period of 60 days, provided such graduate practices under the supervision of a professional licensed under this chapter in a licensed salon. A graduate who fails to pass an examination the first time may

HB 771

2006
CS

385 continue to practice under the supervision of a professional
386 licensed under this chapter in a licensed salon for an
387 additional 60-day period, provided the graduate applies for the
388 next available examination. A graduate may not continue to
389 practice under this subsection if the graduate fails the
390 examination twice. Following the completion of the first
391 licensing examination and pending the results of that
392 examination and issuance of a license to practice cosmetology,
393 graduates of licensed cosmetology schools or cosmetology
394 programs offered in public school systems, which schools or
395 programs are certified by the Department of Education, are
396 eligible to practice cosmetology, provided such graduates
397 practice under the supervision of a licensed cosmetologist in a
398 licensed cosmetology salon. A graduate who fails the first
399 examination may continue to practice under the supervision of a
400 licensed cosmetologist in a licensed cosmetology salon if the
401 graduate applies for the next available examination and until
402 the graduate receives the results of that examination. No
403 graduate may continue to practice under this subsection if the
404 graduate fails the examination twice.

405 (5) Renewal of license registration shall be accomplished
406 pursuant to rules adopted by the board.

407 (6) The board shall adopt rules specifying procedures for
408 the licensure by endorsement of practitioners desiring to be
409 licensed in this state who hold a current active license in
410 another state or country and who have met qualifications
411 substantially similar to, equivalent to, or greater than the
412 qualifications required of applicants from this state. For

HB 771

2006
CS

purposes of this subsection, work experience may be substituted for required educational hours in the amount and manner provided by board rule.

(7)(a) The board shall prescribe by rule continuing education requirements for licensees and registered specialists that ~~intended to~~ ensure the protection of the public through updated training of licensees and registered specialists, not to exceed 16 hours biennially, as a condition for renewal of a license or registration as a specialist under this chapter. Continuing education courses shall include, but not be limited to, the following subjects as they relate to the practice of cosmetology: HIV/AIDS ~~human immunodeficiency virus and acquired immune deficiency syndrome~~; Occupational Safety and Health Administration regulations; workers' compensation issues; state and federal laws and rules as they pertain to cosmetologists, the practice of cosmetology, salons, specialists, ~~specialty salons~~, and booth renters; chemical makeup as it pertains to hair, skin, and nails; and environmental issues. Courses given at educational ~~cosmetology~~ conferences may be counted toward the number of continuing education hours required if approved by the board.

(b) Any person whose occupation or practice is confined solely to hair braiding or, ~~hair wrapping, or body wrapping~~ is exempt from the continuing education requirements of this subsection.

(c) The board may, by rule, require any licensee in violation of a continuing education requirement to take a refresher course or refresher course and examination in addition

HB 771

2006
CS

to any other penalty. ~~The number of hours for the refresher course may not exceed 48 hours.~~

Section 6. Section 477.0212, Florida Statutes, is amended to read:

477.0212 Inactive status.--

(1) A ~~cosmetologist's~~ license issued under this chapter that has become inactive may be reactivated under s. 477.019 upon application to the department.

(2) The board shall adopt ~~promulgate~~ rules relating to licenses that ~~which~~ have become inactive and for the renewal of inactive licenses. The board shall prescribe by rule a fee not to exceed \$100 ~~\$50~~ for the reactivation of an inactive license ~~and a fee not to exceed \$50 for the renewal of an inactive license.~~ The board shall prescribe by rule the continuing education requirements to be met prior to license renewal or reactivation.

Section 7. Section 477.023, Florida Statutes, is amended to read:

477.023 Schools of cosmetology; licensure.--~~A~~ No private school of cosmetology may not ~~shall be permitted to~~ operate without a license issued by the Commission for Independent Education pursuant to chapter 1005. However, this chapter does not ~~nothing herein shall be construed to~~ prevent certification by the Department of Education of grooming and salon services ~~and~~ cosmetology training programs within the public school system or ~~to~~ prevent government operation of any other program of cosmetology in this state.

HB 771

2006
CS

Section 8. Section 477.025, Florida Statutes, is amended to read:

477.025 ~~Cosmetology salons; specialty Salons~~; requisites; licensure; inspection; mobile ~~cosmetology~~ salons.--

(1) No ~~cosmetology salon or specialty~~ salon shall be permitted to operate without a license issued by the department except as provided in subsection (11).

(2) The board shall adopt rules governing the licensure and operation of salons ~~and specialty salons~~ and their facilities, personnel, safety and sanitary requirements, and the license application and granting process.

(3) Any person, firm, or corporation desiring to operate a ~~cosmetology salon or specialty~~ salon in the state shall submit to the department a salon an application form ~~upon forms~~ provided by the department, ~~and accompanied by~~ any relevant information requested by the department, ~~and by~~ an application fee.

(4) Upon receiving the application, the department may cause an investigation to be made of the proposed ~~cosmetology salon or specialty~~ salon.

(5) When an applicant fails to meet all the requirements provided herein, the department shall deny the application in writing and shall list the specific requirements not met. No applicant denied licensure because of failure to meet the requirements herein shall be precluded from reapplying for licensure.

(6) When the department determines that the proposed ~~cosmetology salon or specialty~~ salon may reasonably be expected

HB 771

2006
CS

to meet the requirements set forth herein, the department shall grant the license upon such conditions as it shall deem proper under the circumstances and upon payment of the original licensing fee.

(7) No license for operation of a ~~cosmetology salon or specialty~~ salon may be transferred from the name of the original licensee to another. It may be transferred from one location to another only upon approval by the department, which approval shall not be unreasonably withheld.

(8) Renewal of license registration for ~~cosmetology salons or specialty~~ salons shall be accomplished pursuant to rules adopted by the board. The board is further authorized to adopt rules governing delinquent renewal of licenses and may impose penalty fees for delinquent renewal.

(9) The board is authorized to adopt rules governing the periodic inspection of ~~cosmetology salons and specialty~~ salons licensed under this chapter.

(10)(a) The board shall adopt rules governing the licensure, operation, and inspection of mobile ~~cosmetology~~ salons, including their facilities, personnel, and safety and sanitary requirements.

(b) Each mobile salon must comply with all licensure and operating requirements specified in this chapter or chapter 455 or rules of the board or department that apply to ~~cosmetology~~ salons at fixed locations, except to the extent that such requirements conflict with this subsection or rules adopted pursuant to this subsection.

HB 771

2006
CS

(c) A mobile ~~cosmetology~~ salon must maintain a permanent business address, located in the inspection area of the local department office, at which records of appointments, itineraries, license numbers of employees, and vehicle identification numbers of the licenseholder's mobile salon shall be kept and made available for verification purposes by department personnel, and at which correspondence from the department can be received.

(d) To facilitate periodic inspections of mobile ~~cosmetology~~ salons, prior to the beginning of each month each mobile salon licenseholder must file with the board a written monthly itinerary listing the locations where and the dates and hours when the mobile salon will be operating.

(e) The board shall establish fees for mobile ~~cosmetology~~ salons, not to exceed the fees for ~~cosmetology~~ salons at fixed locations.

(f) The operation of mobile ~~cosmetology~~ salons must be in compliance with all local laws and ordinances regulating business establishments, with all applicable requirements of the Americans with Disabilities Act relating to accommodations for persons with disabilities, and with all applicable OSHA requirements.

(11) Facilities licensed under part II or part III of chapter 400 shall be exempt from the provisions of this section and a cosmetologist licensed pursuant to s. 477.019 may provide salon services exclusively for facility residents.

Section 9. Section 477.026, Florida Statutes, is amended to read:

HB 771

2006
CS

551 477.026 Fees; disposition.--

552 (1) The board shall set fees according to the following
553 schedule:

554 (a) For hair technicians, estheticians, nail technicians,
555 or cosmetologists, fees for original licensing, license renewal,
556 and delinquent renewal may shall not exceed \$50 \$25.

557 (b) For hair technicians, estheticians, nail technicians,
558 or cosmetologists, fees for endorsement application,
559 examination, and reexamination may shall not exceed \$150 \$50.

560 (c) For ~~cosmetology and specialty~~ salons, fees for license
561 application, original licensing, license renewal, and delinquent
562 renewal may shall not exceed \$100 \$50.

563 ~~(d) For specialists, fees for application and endorsement~~
564 ~~registration shall not exceed \$30.~~

565 ~~(d)-(e)~~ For specialists, fees for ~~initial registration,~~
566 registration renewal, and delinquent renewal may shall not
567 exceed \$100 \$50.

568 ~~(e)-(f)~~ For hair braiders and, hair wrappers, ~~and body~~
569 ~~wrappers,~~ fees for registration may shall not exceed \$40 \$25.

570 (2) All moneys collected by the department from fees
571 authorized by this chapter shall be paid into the Professional
572 Regulation Trust Fund, which fund is created in the department,
573 and shall be applied in accordance with ss. 215.37 and 455.219.
574 The Legislature may appropriate any excess moneys from this fund
575 to the General Revenue Fund.

576 (3) The department, with the advice of the board, shall
577 prepare and submit a proposed budget in accordance with law.

HB 771

2006
CS

578 Section 10. Section 477.0263, Florida Statutes, is amended
579 to read:

580 477.0263 Cosmetology services to be performed in licensed
581 salon; exceptions ~~exception~~---

582 (1) Cosmetology or specialty services shall be performed
583 only by licensed cosmetologists, hair technicians, estheticians,
584 nail technicians, or registered specialists in licensed salons,
585 except as otherwise provided in this section.

586 (2) Pursuant to rules established by the board,
587 cosmetology or specialty services may be performed by a licensed
588 cosmetologist, hair technician, esthetician, nail technician, or
589 registered specialist in a location other than a licensed salon,
590 including, but not limited to, a nursing home, hospital, or
591 residence, when a client for reasons of ill health is unable to
592 go to a licensed salon. Arrangements for the performance of such
593 cosmetology or specialty services in a location other than a
594 licensed salon shall be made only through a licensed salon.

595 (3) Any person who holds a valid cosmetology license in
596 any state or who is authorized to practice cosmetology in any
597 country, territory, or jurisdiction of the United States may
598 perform cosmetology services in a location other than a licensed
599 salon when such services are performed in connection with the
600 motion picture, fashion photography, theatrical, or television
601 industry; a photography studio salon; a manufacturer trade show
602 demonstration; a department store demonstration; or an
603 educational seminar.

604 (4) Pursuant to rules established by the board,
605 cosmetology, hair technician, esthetician, nail technician, or

HB 771

2006
CS

specialty services may be performed in a location other than a
licensed salon when such services are performed in connection
with a special event and are performed by a person who is
employed by a licensed salon and who holds the proper license or
specialty registration. Scheduling an appointment for the
performance of such services in a location other than a licensed
salon shall be made through a licensed salon.

Section 11. Section 477.0265, Florida Statutes, is amended
to read:

477.0265 Prohibited acts.--

(1) It is unlawful for any person to:

(a) Engage in the practice of cosmetology or a specialty
without an active license in the field of cosmetology as a
~~cosmetologist~~ or registration as a specialist issued by the
department pursuant to the provisions of this chapter.

(b) Own, operate, maintain, open, establish, conduct, or
have charge of, either alone or with another person or persons,
~~a cosmetology salon or specialty salon:~~

1. Which is not licensed under the provisions of this
chapter; or

2. In which a person not licensed in the field of
cosmetology or registered as a ~~cosmetologist~~ or a specialist is
permitted to perform cosmetology services or any specialty.

(c) Engage in willful or repeated violations of this
chapter or of any rule adopted by the board.

(d) Permit an employed person to engage in the practice of
cosmetology or of a specialty unless such person holds a valid,

HB 771

2006
CS

active license in the field of cosmetology ~~as a cosmetologist~~ or
a registration as a specialist.

(e) Obtain or attempt to obtain a license or registration
for money, other than the required fee, or any other thing of
value or by fraudulent misrepresentations.

(f) Use or attempt to use a license to practice in the
field of cosmetology or a registration to practice a specialty,
which license or registration is suspended or revoked.

(g) Advertise or imply that skin care services or body
wrapping, as performed under this chapter, has ~~have~~ any
relationship to the practice of massage therapy as defined in s.
480.033(3), except those practices or activities defined in s.
477.013.

(h) In the practice of cosmetology, use or possess a
cosmetic product containing a liquid nail monomer containing any
trace of methyl methacrylate (MMA).

(2) Any person who violates any provision of this section
commits a misdemeanor of the second degree, punishable as
provided in s. 775.082 or s. 775.083.

Section 12. Section 477.028, Florida Statutes, is amended
to read:

477.028 Disciplinary proceedings.--

(1) The board may ~~shall have the power to~~ revoke or
suspend the license of a cosmetologist, hair technician,
esthetician, or nail technician licensed under this chapter, or
the registration of a specialist registered under this chapter,
and may ~~to~~ reprimand, censure, deny subsequent licensure or
registration of, or otherwise discipline a cosmetologist, hair

HB 771

2006
CS

technician, esthetician, nail technician, or a specialist
licensed or registered under this chapter in any of the
following cases:

(a) Upon proof that a license or registration has been
obtained by fraud or misrepresentation.

(b) Upon proof that the holder of a license or
registration is guilty of fraud or deceit or of gross
negligence, incompetency, or misconduct in the practice or
instruction of cosmetology or a specialty.

(c) Upon proof that the holder of a license or
registration is guilty of aiding, assisting, procuring, or
advising any unlicensed person to practice in the field of
cosmetology as a cosmetologist.

(2) The board may ~~shall have the power to~~ revoke or
suspend the license of a ~~cosmetology salon or a specialty~~ salon
licensed under this chapter; ~~to~~ deny subsequent licensure of
such salon; ~~or to~~ reprimand, censure, or otherwise discipline
the owner of such salon in either of the following cases:

(a) Upon proof that a license has been obtained by fraud
or misrepresentation.

(b) Upon proof that the holder of a license is guilty of
fraud or deceit or of gross negligence, incompetency, or
misconduct in the operation of the salon so licensed.

(3) Disciplinary proceedings shall be conducted pursuant
to the provisions of chapter 120.

(4) The department may ~~shall~~ not issue or renew a license
or certificate of registration under this chapter to any person
against whom or salon against which the board has assessed a

HB 771

2006
CS

689 fine, interest, or costs associated with investigation and
690 prosecution until the person or salon has paid in full such
691 fine, interest, or costs associated with investigation and
692 prosecution or until the person or salon complies with or
693 satisfies all terms and conditions of the final order.

694 Section 13. Section 477.029, Florida Statutes, is amended
695 to read:

696 477.029 Penalty.--

697 (1) It is unlawful for any person to:

698 (a) Hold himself or herself out as a cosmetologist, hair
699 technician, esthetician, nail technician, specialist, hair
700 wrapper, hair braider, or body wrapper unless duly licensed or
701 registered, or otherwise authorized, as provided in this
702 chapter.

703 (b) Operate any ~~cosmetology~~ salon unless it has been duly
704 licensed as provided in this chapter.

705 (c) Permit an employed person to practice cosmetology or a
706 specialty unless duly licensed or registered, or otherwise
707 authorized, as provided in this chapter.

708 (d) Present as his or her own the license of another.

709 (e) Give false or forged evidence to the department in
710 obtaining any license provided for in this chapter.

711 (f) Impersonate any other licenseholder of like or
712 different name.

713 (g) Use or attempt to use a license that has been revoked.

714 (h) Violate any provision of s. 455.227(1), s. 477.0265,
715 or s. 477.028.

HB 771

2006
CS

716 (i) Violate or refuse to comply with any provision of this
717 chapter or chapter 455 or a rule or final order of the board or
718 the department.

719 (2) Any person who violates the provisions of this section
720 is ~~shall be~~ subject to one or more of the following penalties,
721 as determined by the board:

722 (a) Revocation or suspension of any license or
723 registration issued pursuant to this chapter.

724 (b) Issuance of a reprimand or censure.

725 (c) Imposition of an administrative fine not to exceed
726 \$500 for each count or separate offense.

727 (d) Placement on probation for a period of time and
728 subject to such reasonable conditions as the board may specify.

729 (e) Refusal to certify to the department an applicant for
730 licensure.

731 Section 14. Section 477.0201, Florida Statutes, is
732 repealed.

733 Section 15. This act shall take effect January 1, 2007.

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 1185 CS
Enhancement Program

Manufactured Housing and Mobile Home Mitigation and

SPONSOR(S): Grimsley and others

TIED BILLS:

IDEN./SIM. BILLS: SB 2162

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
1) Insurance Committee	13 Y, 0 N, w/CS	Callaway	Cooper
2) Community Colleges & Workforce Committee		Thomas <i>MT</i>	Ashworth <i>MTA</i>
3) Fiscal Council			
4) Commerce Council			
5)			

SUMMARY ANALYSIS

The bill creates the Manufactured Housing and Mobile Home Mitigation and Enhancement Program (program) to be developed and implemented by the Tallahassee Community College (TCC) with input on the program's development from specified stakeholders. The program is to provide grant money to mobile or manufactured home owners, parks, and communities for hurricane mitigation measures. Once a homeowner, park, or community completes the program, the bill requires Citizens Property Insurance Corporation (Citizens) to grant actuarially reasonable insurance discounts, credits, or other rate differentials or hurricane deductible reductions for the mobile homeowner's insurance premium for the year the program is completed and for subsequent years if the homeowner renews his or her property insurance with Citizens. The bill requires Citizens' property insurance premiums to reflect the location of the home and the home's compliance with the Florida Building Code adopted after Hurricane Andrew.

The bill has a \$7.5 million direct appropriation from the General Revenue Fund to TCC for the program.

The bill is effective upon becoming law, except for the appropriation which is effective July 1, 2006.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. HOUSE PRINCIPLES ANALYSIS:

Provide Limited Government: The bill creates a new program at the Tallahassee Community College to provide grants to mobile homeowners, parks, or communities for hurricane mitigation.

Promote Personal Responsibility: Providing grant monies to mobile home owners, parks, and communities for hurricane mitigation measures will help harden mobile homes, parks, and communities to prevent or reduce hurricane damage and provides an opportunity for homeowners to take responsibility for protecting their homes. Providing hurricane insurance premium credits, discounts, rate differentials to mobile homeowners or parks or communities that complete the mitigation program funded by the bill will reduce insurance premiums paid by these entities.

Empower Families: Providing grant monies to mobile home owners, parks, and communities for hurricane mitigation measures will help harden mobile homes, parks, and communities to prevent or reduce hurricane damage.

B. EFFECT OF PROPOSED CHANGES:

Mobile Home Hurricane Mitigation

To decrease the likelihood and severity of loss, hurricane mitigation is important for single family residential homes, multi-family residential homes, and mobile or manufactured homes (mobile homes). Reduced or less severe loss saves the homeowner financial, emotional, and psychological strains that can be associated with the loss. According to the report issued in 2005 by the Multihazard Mitigation Council of the National Institute of Building Sciences, "*Natural Hazard Mitigation Saves: An Independent Study to Assess the Future Savings from Mitigation Activities*", each dollar spent on mitigation, saves society an average of four dollars.

Florida has the largest number of mobile homes of any state in the nation and the highest number of mobile homes owned by the elderly, although information varies on the number and age of mobile homes in Florida.¹ The Shimberg Center estimates mobile homes represent 12% of the housing stock and house 10% of the state population.² The 2000 Census report estimates there are over 600,000 mobile homes in Florida, 85% of which were built before 1995.³ According to another source, the 2000 Census counted almost 850,000 mobile homes in Florida, most of which were built before 1995.⁴ Thus, although there is conflicting data regarding the number of mobile homes in Florida, data is consistent regarding the age of Florida mobile homes. That data reveals the majority of Florida's mobile homes were built prior to 1995.

In a study, Federal Emergency Management Agency (FEMA) estimated Florida has a maximum number of 829,553 pre-1994 mobile homes.⁵ Additionally, FEMA estimates 847,000 mobile homes in Florida have lower anchoring standards as Florida did not implement its updated mobile home tie down standards until 1999.⁶

¹ *Third Party Analysis of Manufactured Home Retrofit Tie Downs*, report by FEMA, June 2005 at page 14.

² *The Property Insurance Market in Florida 2004: The Difference a Decade Makes*; prepared by the OIR; March 2005, page 17.

³ *Id.* at page 18.

⁴ *Third Party Analysis of Manufactured Home Retrofit Tie Downs*, report by FEMA, June 2005 at page 10.

⁵ *Id.*

⁶ *Id.*

A study done by the International Hurricane Research Center at Florida International University found 85.5% of mobile homes in Florida were built before 1994. In addition, it found 338,000 mobile homes in Florida were built prior to 1976 and 643,000 were built between 1976 and 1994.⁷

Regulation of the Manufacture of Mobile Homes

In 1974, Congress designated the U.S. Department of Housing and Urban Development (HUD) to set standards for the construction of mobile homes. On June 15, 1976, new nationwide regulations were implemented and HUD took full control over the manufacture of mobile homes. Mobile homes were constructed to the same standards nationwide until 1994 when HUD implemented changes in response to damage from Hurricane Andrew. The changes implemented three wind zones, with HUD specifying the wind zones for all areas of the United States. The changes also required mobile homes to be manufactured for each wind zone and restricted mobile home dealers from selling a mobile home to a customer that is not designed for the wind zone area where the customer intends to install the home.⁸

HUD designates wind zones in Florida by county and requires mobile homes to be placed in a wind zone to be manufactured to standards designed for the wind zone. For example, a mobile home located in a Type III Wind Zone must be built to withstand winds of 110 miles per hour. Type III wind zones are located primarily in coastal counties along Florida's southwest and southeast coasts, south of Lake Okeechobee. HUD has designated all counties in Florida as either a Type II or Type III Wind Zone. Type II Wind Zones must contain mobile homes able to withstand winds of up to 100 miles per hour. Prior to the implementation of wind zones by HUD in 1994, mobile homes were built to withstand winds of 70 miles per hour.⁹

Mobile homes built before 1994 are not built in accordance with the wind standards implemented by the U.S. Housing and Urban Development agency (HUD). In 1996, the Department of Highway Safety and Motor Vehicles (DHSMV) began regulating the installation of mobile homes in Florida. Florida implemented more stringent tie-down standards, by rule, in 1999.¹⁰ Florida's mobile home installation program is generally considered a model for the United States.¹¹

DHSMV's assessment of mobile home damage after the 2004 hurricanes showed homes constructed after 1994 (in accordance with the enhanced construction requirements by HUD) withstood hurricane force winds and remained intact with minor to no damage. Homes installed pursuant to the more stringent tie-down standards remained on their foundation with no movement. Although DHSMV found some destroyed mobile homes in their assessment, many of the destroyed homes were installed prior to the implementation of the enhanced tie-down standards.¹² DHSMV found similar results in its assessment of mobile home damage due to Hurricane Wilma in 2005.¹³

⁷ The Task Force on Long Term Solutions to Florida's Hurricane Insurance Market report adopted March 6, 2006, page 27. (citing *Final Report on Hurricane Loss Reduction for Housing in Florida* dated July 30, 2003).

⁸ See Mobile Home Damage Assessment From Hurricane Wilma 2005, prepared by the Bureau of Mobile Home and RV Construction, Division of Motor Vehicles, Department of Highway Safety and Motor Vehicles, on November 29, 2005 at page 1; *Third Party Analysis of Manufactured Home Retrofit Tie Downs*, report by FEMA, June 2005 at pages 9-10.

⁹ See *Third Party Analysis of Manufactured Home Retrofit Tie Downs*, report by FEMA, June 2005 at pages 10-13; Mobile Home Damage Assessment From Hurricane Wilma 2005, prepared by the Bureau of Mobile Home and RV Construction, Division of Motor Vehicles, Department of Highway Safety and Motor Vehicles, on November 29, 2005 at page 1.

¹⁰ See Mobile Home Damage Assessment From Hurricane Wilma 2005, prepared by the Bureau of Mobile Home and RV Construction, Division of Motor Vehicles, Department of Highway Safety and Motor Vehicles, on November 29, 2005 at page 2; *Third Party Analysis of Manufactured Home Retrofit Tie Downs*, report by FEMA, June 2005 at pages 9-10.

¹¹ Mobile Home Damage Assessment From Hurricane Wilma 2005, prepared by the Bureau of Mobile Home and RV Construction, Division of Motor Vehicles, Department of Highway Safety and Motor Vehicles, on November 29, 2005 at page 2.

¹² Mobile Home Damage Assessments From Hurricanes Charley, Frances, Ivan, and Jeanne, prepared by the Bureau of Mobile Home and RV Construction, Division of Motor Vehicles, Department of Highway Safety and Motor Vehicles, on November 10, 2004 at page iv.

¹³ Mobile Home Damage Assessment From Hurricane Wilma 2005, prepared by the Bureau of Mobile Home and RV Construction, Division of Motor Vehicles, Department of Highway Safety and Motor Vehicles, on November 29, 2005 at page iii.

Availability of Hurricane Insurance for Mobile Homes

Many in the mobile home industry have commented on the lack of homeowners' insurance for mobile homes in the private market. The number of mobile home policies issued by Citizens' Property Insurance Corporation (Citizens) supports this allegation. Because Citizens is a joint underwriting association, it acts as an insurer of last resort. In other words, a property is eligible for coverage with Citizens only if there is no other offer from an authorized insurer. By law, Citizens' premiums must be higher than those in the private voluntary market. Citizens currently insures over 110,000 mobile homes.

Citizens' mobile home policies in their personal lines account jumped from 12,028 in October 2003 to 62,029 in October 2005 (a 2-year period) and the number of such policies in their high risk account jumped from 12,552 to 14,056 for the same time period.¹⁴ Also, although new insurers are entering the market and are writing hurricane insurance for mobile homes, they are restricting their coverage to post-1994 mobile homes.¹⁵ Additionally, a number of insurers historically writing hurricane insurance for mobile homes have revised their underwriting guidelines to exclude older mobile homes.¹⁶

Hurricane Mitigation Premium Credits

Since 2003, insurers have been required to provide premium credits or discounts for residential property insurance for properties on which construction techniques had been installed which reduce the amount of loss in a windstorm. These construction techniques include roof strength, roof covering performance, roof-to-wall strength, wall-to-floor-to-foundation strength, opening protection, and window, door, and skylight strength, etc.¹⁷ Individual credits generally range from 3% to 25% and a fully mitigated home can qualify for total credits ranging from 20% to 42% off its wind insurance premium. Typically, policyholders are responsible for substantiating to their insurers the existence of loss mitigation features in order to qualify for credits. This often requires some sort of certification or inspection. Insurers may allow homeowners to self-certify some features such as roof shape or number of stories, but require an engineer, building inspector, architect, or licensed building contractor to certify the more technical features such as roof deck attachment. Section 627.711, F.S. requires insurers to notify their policyholders or potential policyholders at policy issuance and renewal about the availability and range of credits or discounts for making wind mitigation improvements to their homes.

Current law requires premium credits, discounts, or other rate differentials for mobile home owners that insure mobile homes constructed post-1994 and installed pursuant to the stringent tie-down standards implemented in 1999.¹⁸

Hurricane Loss Mitigation Funding In Current Law

Section 215.559, F.S. directs the Legislature to annually appropriate at least \$10 million from the Florida Hurricane Catastrophe Fund (FHCF), but no more than 35% of the investment income from the prior fiscal year for hurricane loss mitigation programs.¹⁹ Actual annual legislative appropriations have ranged from the minimum \$10 million to \$30 million. The Hurricane Loss Mitigation Program (Mitigation Program) within the Department of Community Affairs (DCA) was created in 1999, with an annual appropriation of \$10 million from the FHCF, to fund programs for improving the wind resistance of residences and mobile homes to prevent or reduce losses or reduce the costs of rebuilding after a

¹⁴ The Task Force on Long Term Solutions to Florida's Hurricane Insurance Market report adopted March 6, 2006, page 28. The personal lines account covers homeowners, mobile homeowners, dwelling fire, tenants, condominium unit owners and similar policies. The high risk account covers personal lines windstorm-only policies, commercial residential wind-only policies and commercial non-residential wind-only policies.

¹⁵ *Id.* at page 35.

¹⁶ *Id.* at page 28.

¹⁷ s. 627.0629, F.S. (2005).

¹⁸ s. 627.0629(3), F.S. (2005).

¹⁹ s. 215.555(7), F.S. (2005).

disaster.²⁰ Three (\$3) million from the Mitigation Program is statutorily directed to retrofitting public facilities to be used as hurricane shelters while the remaining \$7 million, is appropriated for the Residential Construction Mitigation Program (RCMP) administered by DCA and statutorily allocated as follows:

- 40% (\$2.8 million) is used to inspect and improve tie-downs for mobile homes;
- 10% (\$700,000) is directed to the Type I Center of the State University System dedicated to hurricane research, e.g., Florida International University; and
- The remainder (50% or \$3.5 million) is generally directed to programs developed by the DCA with advice from an Advisory Council to help prevent or reduce losses to residences and mobile homes or to reduce the cost of rebuilding after a disaster.

The tie-down program for mobile homes funded by s. 215.559, F.S. is run by the Tallahassee Community College (TCC).

Changes Proposed By the Bill

The bill creates the Manufactured Housing and Mobile Home Mitigation and Enhancement Program (program). The purpose of the program is to enhance and improve the performance of mobile homes during hurricanes in order to reduce property loss. The bill does not contain any specifics relating to the establishment, purview, qualifications, or procedures of the program. Rather, it requires the Tallahassee Community College (TCC) to develop the program with input from the Federation of Manufactured Home Owners of Florida, Inc., the Florida Manufactured Housing Association, and the DHSMV. The bill does not provide guidelines for these entities to follow in the development of the program.

The bill requires the program to be run as a grant program; however, does not specify if or how TCC is to determine what persons, properties, or entities qualify for the grants or for the program. The bill does not specify the grants provided by the program are to be used by mobile homeowners or mobile park or community owners for implementation of hurricane mitigation measures, although this is implied in the bill. Additionally, the bill does not specify the dollar amount of the grants to be given to eligible recipients. The bill provides a direct appropriation of \$7.5 million to TCC for program use.

The bill notes that the grant program should attempt to ensure that entire manufactured home communities and mobile home parks are improved wherever practicable, but does not specify a funding priority between mobile homeowners and the communities and parks.

The bill specifies the program must include an education and outreach component designed to inform mobile homeowners about the program and the availability of grants.

The bill requires the program to include hurricane mitigation or enhancement of mobile homes for the areas of concern raised in the 2004-2005 Hurricane Reports done by DHSMV. The 2005 Hurricane report from DHSMV which outlines damage from only Hurricane Wilma found primarily light damage to mobile homes in hurricane affected Collier, Lee and Dade counties (other than storm surge flood damage). There was more damage to mobile homes in the north portion of Dade County at the Broward County line. In Broward County, there was light to severe damage to mobile homes. In all affected counties, the only mobile homes destroyed by Hurricane Wilma in 2005 were pre-HUD homes (those manufactured prior to 1994). The damage reported from Palm Beach County included damage caused by metal roofs on mobile homes coming off exposing the inside of the mobile home to hurricane force winds. Also, in Palm Beach County, many pre-HUD homes had their walls torn off of the particle board floors that had deteriorated under the walls. Only post-HUD mobile homes impacted by storm surge moved on their foundation. Some pre-HUD mobile homes moved on their foundation. The report found damage to mobile home from home additions, such as carports and awnings, to both pre-HUD and HUD manufactured homes.

²⁰ s. 215.559, F.S. (2005).

The DHSMV report from the 2004 hurricanes revealed similar results. In general, post-1994 mobile homes remained intact with minor to no damage, homes installed pursuant to DHSMV's uniform mobile home installation rule (promulgated in 1999) remained on their foundation with no movement with the exception of three homes impacted by high velocity wave action from Hurricane Ivan, mobile home additions caused damage to mobile homes, and many of the mobile homes destroyed by the 2004 hurricanes were installed prior to the adoption of the DHSMV uniform installation rule.

Once a mobile homeowner completes the program created by the bill, the bill requires Citizens to grant actuarially reasonable insurance discounts, credits, or other rate differentials or hurricane deductible reductions for the mobile homeowner's insurance premium for the year the program is completed and for subsequent years if the homeowner renews his or her property insurance with Citizens. As stated previously, current law requires insurers to grant insurance discounts or credits for mitigation, but requires the property owner to self-certify some mitigation features and requires inspection and certification by a qualified inspector/contractor for other mitigation features.

The bill requires Citizens' property insurance premiums to reflect the location of the home and the home's compliance with the Florida Building Code adopted after Hurricane Andrew.

The bill requires the \$2.8 million currently being provided for the mobile home tie-down program under s. 215.559, F.S. to continue to be funded (in addition to the \$7.5 million funding for mobile home hurricane mitigation under this bill).

The bill requires TCC to report to the Governor and the Legislature on the program's activities each year by January 1st and specifies what information the report is to contain.

C. SECTION DIRECTORY:

Section 1. Creates an undesignated statute creating the Manufactured Housing and Mobile Home Mitigation and Enhancement Program; providing findings and legislative intent.

Section 2. Provides for an appropriation of \$7.5 million from the General Revenue Fund to implement the program; provides an effective date of July 1, 2006 for the appropriation.

Section 3. Provides an effective date of becoming law except as otherwise provided.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

The bill requires an appropriation of \$7.5 million out of the General Revenue Fund to TCC for establishment, implementation, performance, and maintenance of the program. It is presumed the appropriation is nonrecurring, although the bill does not specify whether the appropriation is recurring or nonrecurring.

According to the DHSMV, their participation in the program would be limited to providing technical advice regarding mobile home retrofitting and inspections of completed retrofits. The DHSMV already provides inspections of mobile home retrofits in the program provided by s. 215.559, F.S.

Thus, the DHSMV believes there should be no fiscal impact to the agency associated with the program established by the bill.²¹

According to the Department of Transportation, the bill presents no fiscal impact to the agency.²²

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

Mobile homeowners, mobile home parks, and mobile home communities can obtain funding via the grant program for hurricane mitigation features. It is unknown how many mobile homeowners, parks, or communities will participate in the program. Similarly, it is unknown how much each owner, park, or community will receive as this number depends on how many owners, parks, or communities take advantage of the program and if TCC puts a maximum amount on the amount each recipient receives when they set up and implement the program.

It is also unknown how much insurance premiums will be reduced by requiring Citizens to offer discounts, credits, or other rate differentials for policyholders who complete the mitigation program.

D. FISCAL COMMENTS:

It is advisable to clarify whether the \$7.5 million appropriation is recurring or not.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

This bill does not require counties or municipalities to take an action requiring the expenditure of funds, does not reduce the authority that counties or municipalities have to raise revenue in the aggregate, and does not reduce the percentage of state tax shared with counties or municipalities.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

The bill is unclear whether the hurricane mitigation grants are to be given to only to mobile home owners or to mobile home owners, mobile home parks, and mobile home communities.

²¹ DHSMV Bill Analysis dated March 2, 2006, on file with the Insurance Committee.

²² Personal communication received from a representative of the Department of Transportation, on file with the Insurance Committee.

In its final report adopted March 6, 2006, the Task Force on Long Term Solutions for Florida's Hurricane Insurance Market (Task Force) recommended a more rigorous study of the mobile home market by state agencies and other entities to determine a systematic way to identify the size and age of the mobile home market. In light of the Task Force's recommendations, the Insurance Committee included provisions in its property insurance proposed committee bill (PCB IN 06-01) to form a Task Force on Hurricane Mitigation and Hurricane Insurance for Mobile and Manufactured Homes (Mobile Home Task Force) to study the effectiveness of mitigation measures for mobile homes and to study insurance capacity for mobile homes. The Mobile Home Task Force is specifically charged to identify the number, size, and age of Florida's mobile homes; to determine whether insurance discounts, credits, or other rate differentials will increase insurance capacity for mobile homes; and to determine the extent the growth in coverage of mobile homes in Citizens is attributable to insufficient insurance capacity for mobile homes. The Mobile Home Task Force is to make recommendations to the Legislature in these areas by January 1, 2007. Representatives of the mobile home industry, the mobile homeowner, the mobile home insurance industry, and others comprise the Mobile Home Task Force.

The Task Force also recommended an analysis regarding mobile home construction, installation, and age to determine whether mobile homes with attached additions are insurable risks and whether they should be insured by the private insurance market. The proposed committee bill by the Insurance Committee also requires the Office of Insurance Regulation to submit a report to the Legislature by January 1, 2007 relating to the insurability of attached or free standing structures to residential and mobile homes, the feasibility of insuring such structures, the ability to mitigate against loss relating to such structures, and the impact on insurance costs related to insuring such structures.

IV. AMENDMENTS/COMMITTEE SUBSTITUTE & COMBINED BILL CHANGES

On March 23, 2006 the Insurance Committee reported the bill favorably with two amendments. One amendment added a requirement for Tallahassee Community College to report each year on the program created by the bill. Another amendment made the mobile home and manufactured home mitigation rating characteristics for homes that have completed the program consistent with those offered for residential property insurance under s. 627.0629(1), F.S.

HB 1185

2006
CS

CHAMBER ACTION

The Insurance Committee recommends the following:

Council/Committee Substitute

Remove the entire bill and insert:

A bill to be entitled

An act relating to the Manufactured Housing and Mobile Home Mitigation and Enhancement Program; providing legislative findings and intent; creating the program for certain purposes; requiring Tallahassee Community College to develop the program in consultation with certain entities; specifying certain requirements of the program as to certain concerns of the Department of Highway Safety and Motor Vehicles relating to manufactured homes and mobile homes; specifying the program as a grant program for improvement of mobile home and manufactured home parks; providing for distribution of the grants to Tallahassee Community College for certain purposes; requiring Citizens Property Insurance Corporation to grant certain insurance discounts, credits, rate differentials, or deductible reductions for property insurance premiums for manufactured home or mobile home owners; specifying criteria for such premiums; specifying funding for tie-down enhancement systems; requiring Tallahassee Community

HB 1185

2006
CS

College to provide a program report each year to the Governor and Legislature; providing report requirements; providing appropriations; providing effective dates.

Be It Enacted by the Legislature of the State of Florida:

Section 1. (1)(a) The Legislature finds that:

1. Manufactured and mobile homes provide safe and affordable housing to many residents of this state.

2. There is a substantial state interest in helping these residents improve their home's hurricane preparedness since many of the residents living in this type of housing are on fixed or low incomes.

3. The 2004 and 2005 hurricane seasons proved that manufactured and mobile homes constructed and installed in compliance with building codes adopted after Hurricane Andrew withstood major hurricanes.

4. The 2004 and 2005 hurricane seasons demonstrated specific causes of property loss in manufactured and mobile homes and that those causes can be addressed and property loss significantly reduced through various mitigation and enhancement techniques.

5. There is a crisis in obtaining property insurance for manufactured and mobile homes and the Citizens Property Insurance Corporation has become the primary insurer of manufactured and mobile homes in this state.

(b) Based upon the findings set forth in paragraph (a), it is the intent of the Legislature that the property insurance

HB 1185

2006
CS

premiums charged by the Citizens Property Insurance Corporation
for manufactured and mobile homes shall reflect:

1. The improvements created through the mitigation and
enhancement techniques developed under the program set forth in
this section.

2. The location of the home.

3. The fact that a home has been constructed and installed
in compliance with building codes adopted after Hurricane
Andrew.

(2) There is created the Manufactured Housing and Mobile
Home Mitigation and Enhancement Program. The purpose of the
program is to enhance and improve the performance of
manufactured and mobile homes during storm events in order to
reduce property loss.

(3) Tallahassee Community College shall develop this
program in consultation with the Federation of Manufactured Home
Owners of Florida, Inc., the Florida Manufactured Housing
Association, and the Department of Highway Safety and Motor
Vehicles.

(4) The program shall require the mitigation of damage to
or enhancement of homes for the areas of concern raised by the
Department of Highway Safety and Motor Vehicles in the 2004-2005
Hurricane Reports on the effects of the 2004 and 2005 hurricanes
on manufactured and mobile homes in this state. The mitigation
or enhancement shall include, but not be limited to, problems
associated with weakened trusses, studs, and other structural
components caused by wood rot or termite damage; site-built
additions; or tie-down systems and may also address any other

HB 1185

2006
CS

80 issues deemed appropriate by the Federation of Manufactured Home
81 Owners of Florida, Inc., the Florida Manufactured Housing
82 Association, and the Department of Highway Safety and Motor
83 Vehicles. The program shall include an education and outreach
84 component to ensure that owners of manufactured and mobile homes
85 are aware of the benefits of participation.

86 (5) The program shall be a grant program that ensures
87 entire manufactured home communities and mobile home parks may
88 be improved wherever practicable. The moneys appropriated for
89 this program shall be distributed directly to Tallahassee
90 Community College for the uses set forth under this act.

91 (6)(a) Upon evidence of completion of the program, the
92 Citizens Property Insurance Corporation shall grant, on a pro
93 rata basis, actuarially reasonable discounts, credits, or other
94 rate differentials or appropriate reductions in deductibles for
95 the properties of owners of manufactured homes or mobile homes
96 on which fixtures or construction techniques that have been
97 demonstrated to reduce the amount of loss in a windstorm have
98 been installed or implemented. The discount on the premium shall
99 be applied to subsequent renewal premium amounts.

100 (b) Premiums of the Citizens Property Insurance
101 Corporation shall reflect the location of the home and the fact
102 that the home has been installed in compliance with building
103 codes adopted after Hurricane Andrew.

104 (7)(a) The portion of the program that enhances tie-down
105 systems shall continue to be funded by the moneys allocated in
106 s. 215.559(4), Florida Statutes.

HB 1185

2006
CS

(b) The remainder of the program shall be funded as provided in the General Appropriations Act.

(8) On or before January 1 of each year, Tallahassee Community College shall provide a report of activities under this section to the Governor, the President of the Senate, and the Speaker of the House of Representatives. The report shall set forth the number of homes that have taken advantage of the program, the types of enhancements and improvements made to the manufactured or mobile homes and attachments to such homes, and whether there has been an increase of availability of insurance products to manufactured or mobile home owners.

Section 2. The sum of \$7,500,000 is appropriated for fiscal year 2006-2007 from the General Revenue Fund to the Tallahassee Community College to implement the Manufactured Housing and Mobile Home Mitigation and Enhancement Program created by this act. This section shall take effect July 1, 2006.

Section 3. Except as otherwise expressly provided in this act, this act shall take effect upon becoming a law.